



## **COMMUNITY DEVELOPMENT COMMISSION**

### **County of Los Angeles**

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*Commissioners*

**Carlos Jackson**  
*Executive Director*

February 17, 2004

Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ORDINANCE TO ELIMINATE THE TIME LIMITS ON INCURRING DEBTS FOR  
REDEVELOPMENT ACTIVITIES CARRIED OUT IN THE MARAVILLA, EAST  
RANCHO DOMINGUEZ, WILLOWBROOK, AND WEST ALTADENA  
REDEVELOPMENT PROJECT AREAS (1, 2, 5)  
(3 Vote)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve an ordinance, amending Chapter 2.60 of Title 2, Administration, of the Los Angeles County Code, to eliminate the time limits to establish loans, advances and indebtedness by the Community Development Commission to finance activities within the Redevelopment Project Areas of Maravilla, East Rancho Dominguez, Willowbrook, and West Altadena, to allow indebtedness to be established at any time during which the Redevelopment Plans for each of these communities are effective.

**PURPOSE/JUSTIFICATION FOR RECOMMENDED ACTION:**

Eliminating the time limits during which the Commission is authorized to establish or incur loans, advances and indebtedness related to the County's four active Redevelopment Plans will enable the continued financing of redevelopment activities in each corresponding redevelopment area through the continued use of redevelopment tax increment funding.

**FISCAL IMPACT/FINANCING:**

The Commission, as the redevelopment agency of the County, administers the Redevelopment Project Areas of Maravilla, East Rancho Dominguez, Willowbrook and West Altadena. Each Redevelopment Project Area has a Redevelopment Plan that is approved by your Board and establishes: long term planning goals, policies, and procedures; directs revitalization efforts; and provides financial plans for each Redevelopment Project Area, including setting time limits for incurring debts to carry out redevelopment activities.

As redevelopment activities are completed in the above areas, the Commission receives property tax revenues generated from increased assessed values over a base year established for each Redevelopment Project Area, known as "tax increment" funds. Indebtedness is necessary before tax increment funds can be received within the time limits defined by each Redevelopment Plan. The proposed ordinance would eliminate the current time limits, so that indebtedness can be established and tax increment funds can be collected to coincide with the effective life of each respective Redevelopment Plan.

The approximate net present value of funds available to the Commission for redevelopment activities over the duration of the Redevelopment Plans will total approximately \$21,348,181, with an additional \$5,917,973 set aside by law exclusively for affordable housing activities.

Approval of the proposed ordinance will generate new or increased "pass-through" payments of tax increment funds to the County, school districts, fire districts, and other taxing entities within each Project Area. These pass-through payments are determined by a formula established in California Health and Safety Code, Section 33607.7, and these funds are paid from the 80 percent of tax increment funds not designated for affordable housing that the Commission will receive for redevelopment work in the Project Areas.

The estimated total net present value of the pass-through payments over the lives of the four Redevelopment Plans will be approximately \$3,117,555. Of this estimated total amount, approximately \$448,921 will be paid to the County general fund.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

To comply with state law, the County in 1993 adopted ordinances for establishing time limits for the above Redevelopment Plans to establish or incur loans, advances, and indebtedness for the purposes of financing redevelopment activities.

California Health and Safety Code, Section 33333.6(e)(2), as amended, allows your Board to eliminate the current time limits to permit indebtedness to be established through the effective dates of each Redevelopment Plan, as follows: Maravilla, February 20, 2013; Willowbrook, September 15, 2012; East Rancho Dominguez, July 10, 2024; and West Altadena, August 12, 2026.

County Counsel has prepared the attached analysis and ordinance.

**IMPACT ON CURRENT PROGRAM:**

Approval of this ordinance will enable the continued financing of redevelopment activities for the Redevelopment Project Areas.

Respectfully submitted,

CARLOS JACKSON  
Executive Director

Attachment: 1

## ANALYSIS

This ordinance amends Chapter 2.60 of Title 2 – Administration of the Los Angeles County Code relative to the four County redevelopment plans: Maravilla, Willowbrook, East Rancho Dominguez, and West Altadena as authorized by recent changes to the Community Redevelopment Law contained in California Health and Safety Code section 33333.6(e)(2).

That section authorizes the amendment, by ordinance, of existing County redevelopment plans to eliminate the current time limits on the establishment of loans, advances, or indebtedness by the Community Development Commission, the County's redevelopment agency.

The effect of this ordinance is to eliminate the former time limits for the establishment of loans, advances, or indebtedness for the four County redevelopment plans and to allow such establishment at any time during which the respective redevelopment plan is effective as follows:

	<u>Current Time Limit to</u>	
	<u>Establish Loans,</u>	<u>Last Day Plan is</u>
	<u>Advances, or Indebtedness</u>	<u>Effective</u>
Maravilla	March 23, 2003	February 20, 2013
Willowbrook	January 1, 2004	September 15, 2012
East Rancho Dominguez	July 10, 2004	July 10, 2024
West Altadena	August 12, 2006	August 12, 2026

Under the California Redevelopment Law, neither the Board of Supervisors nor the Community Development Commission is required to adopt a formal plan amendment in connection with the adoption of this ordinance.

LLOYD W. PELLMAN  
County Counsel

By  
ERIC R. YOUNG  
Principal Deputy County Counsel  
Public Works Division

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12/11/03 (requested)

12/16/03 (revised)

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Chapter 2.60 of Title 2 - Administration of the Los Angeles County Code, relating to community redevelopment.

The Board of Supervisors of the County of Los Angeles ordains as follows:

**SECTION 1.** Section 2.60.142 is hereby amended to read as follows:

**2.60.142      ~~Loans, advances and indebtedness -- Limitations.~~ Time limit on establishing debt.**

The county's community development commission ~~shall not~~ is authorized to establish or incur loans, advances, or indebtedness to finance, in whole or in part, the Maravilla pProject Area official redevelopment plan after March 23, 2003 at any time during which such redevelopment plan is effective. Loans, advances, or indebtedness may be repaid over a period of time beyond such time limit.

**SECTION 2.** Section 2.60.191 is hereby added to read as follows:

**2.60.191      Time limit on establishing debt.**

The county's community development commission is authorized to establish or incur loans, advances or indebtedness to finance, in whole or in part, the Willowbrook neighborhood development program redevelopment plan at any time during which such redevelopment plan is effective. Loan, advances, or indebtedness may be repaid over a period of time beyond such time limit.

**SECTION 3.** Section 2.60.371 is hereby amended to read as follows:

**2.60.371 Time limit on establishing debt.**

The county's community development commission ~~shall not~~ is authorized to establish or incur loans, advances, or indebtedness ~~for~~ to finance, in whole or in part, the official Redevelopment Plan for the East Rancho Dominguez Community Redevelopment Project ~~after July 10, 2004, except as otherwise authorized by the State Community Redevelopment Law Health and Safety Code Sections 33000 et seq~~ at any time during which such redevelopment plan is effective. Loans, advances, or indebtedness may be repaid over a period of time beyond such limit.

**Section 4.** Section 2.60.471 is hereby amended to read as follows:

**2.60.471 Time limit on establishing debt.**

The county's community development commission ~~shall not~~ is authorized to establish or incur loans, advances, or indebtedness for the Redevelopment Plan for the Los Angeles County West Altadena Community Redevelopment Project ~~after August 12, 2006, except as otherwise authorized by the State Community Redevelopment Law Health and Safety Code Sections 33000 et seq~~ at any time during which such redevelopment plan is effective. Loans, advances, or indebtedness may be repaid over a period of time beyond such time limit.

**Section 5. Severability.**

If any provision of this ordinance is held to be invalid, the remainder of this ordinance shall not be affected thereby, and all other provisions of this ordinance shall be valid and remain in full force and effect.